CHAPTER NO. 4:

PORTER-LAWLAR MODEL

(Analysis, implication and application)

Contents:

- Introduction
- Assumptions
- Figure-Diagram of the Model
- Variables of the model
- Functioning of the Model
- Key managerial implications of the model
INTRODUCTION TO THE PORTER-LAWLER MODEL:

The Porter-Lawler model is inclusive of all the theories of motivation. The model is in category of the Process Theories. This is a model rather than a theory. The model explains complex process of motivation diagrammatically. In the model, motivation process has been explained with the help of nine variables. It is the most comprehensive theory of motivation. It is also noted that the most of psychological aspects have been considered for proper analysis of complex processes undergo in motivation that determine level of motivation. The model is associated with two authors L.W. Porter and E.E. Lawler. So, it is known as Porter-Lawler Model.

The model is based on the study conducted by L.W. Porter and E.E. Lawler on seven states-owned units and three private units. The purpose of the study was to know responses of employees regarding pay and satisfaction. They have used questionnaire method to measure their responses. Based on responses of the employees, they developed the model.

THE KEY ASPECTS OF THE MODEL:

Full names of authors: LAYMAN W. PORTER AND EDWARD E. LAWLER.

Type of theory : Process theory.
Base of theory : Expectancy.
Theme of theory : Performance leads to satisfactions.
Source of theory : Originally it was available from Research paper on work Motivation.

Books:


* Process theories are based on the theme: How people are motivated.
The model explains complex and multidimensional motivation process diagrammatically, rather than mathematically as Victor S. Vroom did. The important point is the model is inclusive of major content and process theories. The model was a major significant attempt to explain how motivation work and gifted a lot of implications for performance improvement, not only in business but also equally in non-profit fields like education. The model has brought significant turn from traditionally believed relations among efforts, performance, rewards, and satisfaction.

Fundamental aspect of the model is about the relation between performance and satisfaction. By extending work of Victor S. Vroom, Porter and Lawler have tried to explain critical variables undergo cognitively in work motivation. In the model, relationship between performance and satisfaction is dealt with directly.¹

The present theory is largely built on expectancy aspect. It is substantially more complete model of motivation. They have applied this model primarily to managers.² Porter-Lawler model is based on fundamental premises that motivation i.e. force or level of efforts are not equal to satisfaction and/or performance. In fact motivation, performance, and satisfaction are three different variables and they are related differently than what traditionally assumed. In the theory, expectancy plays vital role. It is observed explicitly in the Porter-Lawler Model. This is, in fact, revised expectancy theory.³ Porter and Lawler have refined, revised, and expanded Victor H. Vroom's Theory into expectancy model; from mathematical explanation to diagrammatical explanation.⁴

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² L.M. Prasad, Principles and Practice of Management, Sultan son and Sons Publication, New Delhi 1995, p. 550

**CHAPTER 4/ Porter-Lawler Model**
ASSUMPTIONS:

In the model, there are certain disguised/implicit assumptions. The assumptions have not been stated anywhere. But, careful and detailed analysis of the model reveals following assumptions:

- Work has got history or enough knowledge about work.
- Motivation can be explained in form of relation between outcomes (rewards) and inputs (efforts) and employees are able to estimate effort-reward relation.
- Policy of the organization is normal. Rewards are based on performance.
- Employees are rational. They respond as normal human beings.
- Rewards are not based on amount of efforts but level of performance.
- Working condition is suitable and routine.
- There is in normal situation. (Absence of tense situation like strike)

The model depicts relationships among nine variables:

1. **Value of Rewards-** valence. (Satisfaction is an input)
2. **Perceived Effort-Reward Probability.** (Expectancy related to effort-reward relations). Here, reward is the input.
3. **Efforts.** (Efforts are the result of variable number 1 and variable number 2).
4. **Abilities and Traits.** (They determine the effect of efforts on performance).
5. **Role Perception.** (It is the determinant of level of effect of efforts on performance).
6. **Performance-Outcomes.** (Performance is the first level outcome as stated by V. S. Vroom. It is result of variable number 4 and variable number 5).
7. (A) **Intrinsic Rewards.** (Rewards followed by performance. They are job content factors as stated by Herzberg. Higher level needs as stated by Abraham Maslow).
7. (B) **Extrinsic Rewards.** (Rewards followed by performance. They are job context factors as stated by Herzberg. Rewards, which are offered by others).
8. **Perceived Equitable Rewards.** (Desired level of extrinsic and intrinsic rewards).
9. **Satisfaction.** (It is based on desirable level of both type rewards. It may be less, equal or more depending on amount of actual and expected level of rewards).
Grouping of the variables of the model. Nine variables can be classified in four classes/stages.

Stage I. **EFFORTS**-Variable number 3 is result of variable 1 and variable 2.

Stage II. **PERFORMANCE**- Variable number 6 is result of variable 4 and variable 5.

Stage III. **EQUITABLE REWARDS**- Variable number 8 is result of variable number 7(A) and variable number 7(B).

Stage IV. **SATISFACTION**- Variable number 9. The final outcome. It is result of interplay of all the variables in the model.

Thus, symbolically they can be presented as under:

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EFFORTS <= PERFORMANCE <= REWARDS <= SATISFACTION
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**Figure 1: Main variables of the model**

The model includes nine variables. Original Porter-Lawler Model is as under:

**Figure 2: PORTER-LAWLER MODEL OF WORK MOTIVATION**
DETAILED DESCRIPTION OF VARIABLES:
In this part all the variables have been discussed in detail.

VALUE OF REWARDS–VARIABLE NO. 1: It is same as valence in Vroom’s Expectancy Theory. It is the strength of the individual’s preference for receiving a reward or realizing goal. What is degree of one’s preference for particular reward? It implies to what extent one wants something. This variable determines the value that an individual has for rewards that would be realized in the future. If one assigns high value to the rewards, it has direct and considerable impact on level of efforts (motivation) and vice-versa. Value of reward is the individual matter. Other words similar to value of reward are valence, incentives, attitudes, expected utility or desirability. For same reward different individuals may have different value. The level of value of reward is result of interplay of a lot of internal and external factors. How much value a person has for the specific reward is dependent on factors like:

1. Personal needs, perception, habit, attitudes, and personality characteristics.
2. Cultural aspects like religion, customers, values, beliefs, norms and standards, traditions etc.
3. Reference groups like family members, relatives, peers, colleagues etc.
4. Nationality.
5. Type of leadership and influence of leader.
6. Organizational climate, culture, and degree of their impact on behavior.
7. Personal characteristics like ambition, career consciousness, future plan, goals, socio-economic factors and other personality characteristics.
8. Government rules and economic system.
11. Past experience etc.

The value placed on a reward depends on its degree of attractiveness and desirability. Pay, Promotion, security, respect, recognition, appreciation etc, is assigned different values by different people. A man thinks about rewards before he exerts efforts.

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5 Fred E. Luthans, Organizational Behavior, 5th Ed. P. 192

CHAPTER 4/ Porter-Lawler Model
So, motivation starts from rewards/ satisfaction. The final outcome of motivation/ efforts is the main source of motivation. He thinks first what possibly will happen after efforts. Thus, it is to note that motivation starts from the end expected results i.e. value for that result. It is not important what type of rewards will be available but how much value one assigns.

Value of reward is ranging from -1 to +1. When it is (-) negative, an individual has strong avoidance approach/value. He keeps himself away. He either withdraws himself doing work or he tries even against availing rewards. He makes counter efforts to prevent rewards. This situation is observed only when he dislikes rewards. Sometime zero (0) value is assigned. It implies that he is indifferent in receiving rewards. He neither wants rewards nor ignores rewards. He has neutral position. He is not responding to rewards. He has no attraction and, at the same time, he is not against rewards. This situation indicates that he has no value for rewards available in the future. No value situation leads to lack of enthusiasm. This is very fatal condition. And, organization should try to avoid such condition to occur. +1 implies strong value. He has strong desire to get rewards. He is ready to strive/ struggle to make rewards available.

Implications: This is the most important variable in motivation process. This is the variable that determines level of efforts. This is precondition that a person must have value for reward in order to be motivated. It is important to mention that value for reward is not inflexible. It can be changed, modified or extinguished. Role of superior and structure of organization have strong potential to alter or convert the value in desirable form and degree. Motivator must follow this reality. Attractive rewards must be attractive from the viewpoint of the motivated. Motivation policy and practice must start from employees' interest and desire. Employees should be contacted/ studied before designing reward system.

Approaches to deal with undesirable value for rewards: There basically four approaches to alter value of reward in desirable forms stated on the next page:
1. Change the people;
   (a) People with a negative value are to be converted into positive value
   (b) Intensifying lower positive value into higher positive value.
   (c) Maintain higher positive value by continuous monitoring motivation policy and practice.

   Or

2. Change rewards;
   (a) Change amount of rewards.
   (b) Change content of rewards.
   (c) Change timing of rewards.

   Or

3. Change work to fit with rewards;
   (a) To reduce work level/standard.
   (b) To reduce time.
   (c) To reduce risk.
   (d) To make-work attractive and interesting.

   Or

4. Change all; people, rewards and/or work.

The manager who wants to make people work should study the value for reward the employees hold. Employees may not work fully if they don’t have value for rewards following efforts. It is fundamental fact that people think about rewards before any level of efforts is made. They always think what and how much would be available. They make efforts only when their estimate/calculation implies desirable and adequate rewards.

To avoid possibility of confusion, misunderstanding or misprojection, management should make it clear explicitly so that people can come to know what and how much they will get for specific level of efforts. Sometimes people cannot see rewards accurately.
Another vital aspect in value of reward is that there should be proper match between what manager offers and how people value that offer. Thus, value of reward is a key variable in the model.

Value for reward is actually the value for satisfaction. High value indicates high level of satisfaction in the future. The last variable is extremely critical in value for rewards and finally on level of efforts. In determining value for rewards, past experience has major role to play. However, past experience is relevant only when job and other variables related to job are identical.

Value for reward is determined by following factors:
1. Past experience about rewards and satisfaction.
2. Information from friends, relatives, and other reference groups regarding rewards and satisfaction.
3. Assumption or self-projection. One estimates by his own way.
4. In case of a new job manager/ superior provides necessary information about type and amount of rewards available.

PERCEIVED EFFORT-REWARD PROBABILITY-VARIABLE NO.2:
Box number 2 in the model represents perceived effort-reward probability. It is another powerful determinant of level of efforts. It is to note that here probability (expectancy) is related to first level outcomes. That is to say that box number 2 indicates relationship between level of efforts and level of performance. Perception regarding relationship between efforts and performance is important. Probability is the possibility ranging from 0 to 1 about outcomes of efforts.

Here, the word ‘perceived’ is more closely related to the ‘estimated’ or ‘calculated’. Note that an individual assigns probability for the efforts leading to performance cognitively. Perceived probability implies his awareness or knowledge regarding possible relations exist between level of efforts and degree of performance. It is major input in effort. This variable refers to the employee’s perception of probability that different rewards depend upon different amount of efforts. The table 1 on the next page shows different possible combinations;

CHAPTER 4/ Porter-Lawler Model
Table 1. Table showing possible combinations based on different perceptions.

<table>
<thead>
<tr>
<th>No.</th>
<th>Possible combinations</th>
<th>Level of efforts</th>
</tr>
</thead>
<tbody>
<tr>
<td>1.</td>
<td>EFFORTS &gt; REWARDS</td>
<td>MAXIMUM EFFORTS</td>
</tr>
<tr>
<td>2.</td>
<td>EFFORTS = REWARDS</td>
<td>MORE EFFORTS</td>
</tr>
<tr>
<td>3.</td>
<td>EFFORTS &lt; REWARDS</td>
<td>LESS EFFORTS</td>
</tr>
<tr>
<td>4.</td>
<td>EFFORTS ≠ REWARDS</td>
<td>UNCERTAIN EFFORTS</td>
</tr>
<tr>
<td>5.</td>
<td>EFFORTS (-tive) REWARDS</td>
<td>WITHDRAWAL OF EFFORTS</td>
</tr>
<tr>
<td>6.</td>
<td>EFFORTS =NO REWARDS</td>
<td>NO EFFORTS</td>
</tr>
</tbody>
</table>

Interpretation of the table:

1. Perception of probability that certain level of efforts leads to more rewards. This is more desirable combination for management.
2. Perception of probability that certain level of efforts leads to equal rewards. This is desirable combination.
3. Perception of probability that certain level of efforts leads to less reward. This is less desirable combination.
4. Perception of probability that level of efforts has no relation with rewards. This is not desirable combination.
5. Perception of probability that level of efforts has negative/adverse relation with rewards. This is detrimental combination.
6. Perception of probability that level of efforts will not lead to rewards. This is also not desirable.

If an individual is sure that particular amount of efforts will definitely lead to desired (equal or more) rewards, it can be said that probability is high i.e. near to 1. When he estimates that efforts don’t lead to equal rewards, probability is low. But when he is sure that whatever is the level of efforts there is no reward probability is zero. In a situation when he thinks that efforts have adverse impact (result into punishment), counter efforts are made. Even in certain cases, he thinks that level of efforts and amount of rewards are free, nothing can be said.
It is important that perception of probability relates at two level; efforts leads to performance and performance leads to rewards. However, it is more concerned with performance than rewards with the assumption that every good performance is rewarded fairly.

Implication: Level of probability depends on perception of an individual. For same level of efforts and same level of rewards different individuals have different probability? This is due to individual differentiation. Here role of manager is critical in assisting employees in estimating accurate effort-reward probability. If necessary, attempts should be made to change perception by appropriate training. This aspect is also important in selecting employees. Management should select employees with proper perception. Relevant factors should be considered to understand their impact on perception.

Here, it is to be mentioned that perceived effort-reward probability concerns with two variables: performance and rewards. From the model it can be observed that performance is the input in variable number 2. Two relations are important: (1) Relation between efforts and performance. It is, according to V.S. Vroom, the first level outcome. Degree to which efforts lead to desired level of performance, affects level of efforts. (2) Relation between performance and rewards. Certain degree of performance must result into expected rewards. Note that performance is not the result but it is the base for getting rewards. Good performance followed by poor rewards affects adversely to level of efforts. However much depends on expectation. It can be said that efforts start from (expected) performance and (expected) rewards.

EFFORTS- VARIABLE NO.3:
Box number 3 in the model represents efforts. Effort means exertion; attempt or struggle* Efforts are also expressed in term of energy or capacity extended toward work. Efforts consist of physical and mental exertion, stress, or depreciation.

Efforts are one’s total capacity or ability to do something. Motivation force is actual efforts extended by the individual on the job. Putting full efforts mean one is exerting

* Webster’s new dictionary.
100% energy to work. He is doing his level best. "Efforts" in the model refer to the amount of energy exerted by an employee on given task. Efforts are more closely related to motivation (force).

It is worth noted that efforts and ability both are different. Efforts (force or motivation) may be equal to ability, may be less than ability. Efforts imply applied or employed energy/ ability. Thus, efforts are equivalent to motivation force. Amount of efforts depends on the value of reward (valence) and perceived effort-reward probability (expectancy). At a time, amount of efforts is product of value for reward and probability that efforts lead to performance/ rewards. The level of efforts resulting from interaction of these two variables is roughly equivalent to force. Thus,

\[ \text{Efforts/motivation force: } M = \Sigma V \cdot E \]

It is imperative to note that the employee would not exert total energy he has (in form of skills, knowledge, ability, time, stamina, efficiency etc.), but it depends upon how much value he has for specific reward and how favorably he perceives probability regarding efforts and reward relation. Table number 2 on next page shows relationships among efforts, value, and probability. There are about eight different situations of level of efforts based on various degrees of these two variables. Each of the situations has unique managerial implication and demands different actions. Table number 2 shows some situations and possible levels of efforts.

This (as shown in the table number 2) is not an exhaustive list of the possible situations. In fact, more situations can be possible by different intensity of either value for rewards or perceived effort-reward probability. If more dimensions (like highest, higher, high, less, no, negative etc; for value of rewards as well as for perceived effort-reward probability) are used, more than 30 such situations can be possible. Each of these situations demands different managerial actions.

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Table No.2. Different possible levels of efforts based on different degrees of value for reward and perceived effort-reward probability.

<table>
<thead>
<tr>
<th>Situations</th>
<th>Value for reward</th>
<th>Perceived effort-reward probability</th>
<th>Level of efforts</th>
</tr>
</thead>
<tbody>
<tr>
<td>1.</td>
<td>High positive</td>
<td>High</td>
<td>Maximum</td>
</tr>
<tr>
<td>2.</td>
<td>High positive</td>
<td>Low</td>
<td>Poor</td>
</tr>
<tr>
<td>3.</td>
<td>Low positive</td>
<td>High</td>
<td>Moderate</td>
</tr>
<tr>
<td>4.</td>
<td>Low positive</td>
<td>Low</td>
<td>Below moderate</td>
</tr>
<tr>
<td>5.</td>
<td>No value</td>
<td>High</td>
<td>Uncertain/zero</td>
</tr>
<tr>
<td>6.</td>
<td>No value</td>
<td>Low</td>
<td>Almost zero</td>
</tr>
<tr>
<td>7.</td>
<td>High negative value</td>
<td>High</td>
<td>Fully withdrawal of efforts</td>
</tr>
<tr>
<td>8.</td>
<td>Low negative value</td>
<td>High</td>
<td>Moderate withdrawal</td>
</tr>
</tbody>
</table>

Implications and managerial actions:

1. Combination of high value of reward and high effort-reward probability results into maximum efforts. He may struggle to his best capacity to get that reward. An individual employs 100% capacity, skills, expertise, and creativity. This is an ideal situation when maximum efforts are made by motivated. In order to create this situation, management should prepare employees to attach high value for rewards available in the future and should provide needed information so that they can assign high probability. The structure of organization should be formulated in such a way that employees find it easy to estimate probability accurately.

2. Low value for rewards leads to low level of efforts even in case of high probability. Therefore, a manager should do something so that employees can assign high positive value to rewards. The manager should find out why employees have low value for rewards. This aspect is also relevant to formulate suitable reward policy.

3. Lower perceived effort-reward probability also results into lower level of efforts even though they have strong value. The employees perceive high effort-reward probability when they believe that there is direct and close relation between level of efforts and rewards following efforts. Lower probability is outcome of uncertainty about performance and rewards. It is up
to manager to find out why people have low perceived probability. Based on reasons discovered, certain steps must be taken to make people to set high probability. Low probability prevails due to lack of confidence, doubt regarding organizational policy, procedure and practice, or distorted perception. Sufficient availability of information, training, suitable structure of organization, informal relations, conducive climate etc; can be helpful in improving effort-reward probability.

4. No value for reward is at all not desirable situation. It leads to inactiveness. It is condition in which one has neither positive nor negative value for rewards. No value for rewards multiplied by any level of probability will not produce any result. It implies lack of desire/ willingness to achieve anything. An individual prefers to remain neutral or indifferent. In no value situation one reacts differently. He puts efforts without interest, remains away from work, avoid work, divert efforts to other purposes or leaves job. No value for reward exists when reward available are not fit for an individual. Therefore either rewards or an individual should be change. This action is possible in variety of ways.

5. Negative value for reward is also equally dangerous. An individual reacts slightly different when negative value is multiplied with high or low probability. In negative value situation he will not withdraw but possibly put efforts in an opposite direction to prevent reward to occur. He will make counter efforts to avoid reward. Here he has strong objection to get rewards. It is also possible that he may involve in destructive efforts. Anyhow, he prevents chances of reward availability. The manager should study this situation seriously. On the basis of reasons for negative value for rewards, manager should treat either rewards or the individual or both to avoid such a situation

For undesirable level of value for rewards or perceived effort-reward probability resulting into low efforts/ no efforts/ counter efforts must be analyzed with care. *

* There different causes for different undesirable levels of value for rewards as well as for different levels of perceived effort-reward probability. Similarly they are based on causes, separate remedical actions are to employed

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Basically for such situations, a systematic action plan should be prepared to change or improve or to replace organization policy, employees, rewards etc;

It must be mentioned that value of rewards concerns with level of satisfaction. Thus, in the model final outcome of efforts is basic input in efforts. Perceived effort-reward probability concerns at two aspects; probability that efforts lead to performance and probability that performance leads to rewards (equitable rewards leading to desired level of satisfaction).°

Relationships among value of rewards, degree of satisfaction and level of efforts can be better explained in table number 3. (Assuming high level of perceived probability).

Table No. 3: Relationship between actual rewards and expected rewards:

<table>
<thead>
<tr>
<th>No.</th>
<th>Actual rewards and expected rewards</th>
<th>Level of satisfaction</th>
<th>Value for rewards</th>
<th>Level of efforts</th>
</tr>
</thead>
<tbody>
<tr>
<td>1.</td>
<td>AR = ER</td>
<td>Desired</td>
<td>High</td>
<td>High</td>
</tr>
<tr>
<td>2.</td>
<td>AR &gt; ER</td>
<td>More than desired</td>
<td>Higher</td>
<td>Higher</td>
</tr>
<tr>
<td>3.</td>
<td>AR &lt; ER</td>
<td>Less</td>
<td>Low</td>
<td>Low</td>
</tr>
<tr>
<td>4.</td>
<td>AR (-tive) ER</td>
<td>Dissatisfaction</td>
<td>Negative</td>
<td>Counter</td>
</tr>
<tr>
<td>5.</td>
<td>Zero reward</td>
<td>No</td>
<td>Nil</td>
<td>Zero</td>
</tr>
</tbody>
</table>

(Ar=Actual Rewards, and ER= Expected Rewards)

Table shows the effect expected satisfaction has on value for rewards and consequently on level of efforts. The individual must believe that efforts lead to rewards and rewards must lead to satisfaction in order to be motivated. And when satisfaction is desired or more, required level of efforts are made. Thus, it can be said that motivation starts from satisfaction.

Figure 3 shows that; (1) Box No.3 is dependent upon box No.1. (2) Box No. 4 is dependent on Box No. 2A and Box No.2B, and (3) Box No. 5 is dependent on Box

° Box number 9 in the model- satisfaction is vital input in efforts. Efforts are made only when one is sure that reward available is valent and definitely leads to expected level of satisfaction. The degree of efforts are based on what and how much will be available in future as a result of efforts made at present and to what degree rewards result into satisfaction. In reality one is not interested in rewards but satisfaction followed by rewards.

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It is now clear that level of efforts are determined by value of reward, is determined on the basis of reward-satisfaction relation. Likewise, effort-performance relation and performance-reward relation determine level of perceived effort-reward probability. At any time, level of efforts or motivation force for any job determined by interplay of following factors / variables:

1. Value of rewards
2. Reward-satisfaction relation
3. Perceived effort-reward probability.
5. Perceived performance-reward relation.

Comment:
The figure 3 shows that the level of efforts (motivation force) is determined by various factors. It can be observed that satisfaction-the last variable and result of efforts- is the main determinant of value of rewards, which ultimately decides level of efforts. Likewise perceived probability is concerned with two variables: perceived effort-reward probability and perceived performance-reward probability. High probability at both the levels is necessary in order to have high motivation. In the model, perceived effort-performance probability has not been explicitly mentioned.
ABILITIES AND TRAITS-VARIABLE NUMBER 4:

In the model, it can be observed that efforts precede performance. But, efforts don’t lead to performance directly. Efforts are mediated by abilities and traits. It is the fact that efforts and performance are not always equal. Abilities and traits make significant difference in efforts of efforts on performance. Everyone has strengths and weaknesses in term of ability that make him or her relatively superior or inferior to others in performing certain tasks/activities. The discrepancy exists between efforts and performance due to difference in abilities and traits.

Performance depends not only on the amount/level of efforts exerted but also on the person’s abilities (e.g. job knowledge and skills) both mental and physical and the way they perceive the role they should take. Thus, abilities, traits, and role perception moderate effort-performance relationships.

Ability can be defined as a power to do. Abilities include job knowledge skills and talent (intellectual capacity) to perform job. Traits are the features or lineament; distinguishing features of character or mind; a touch (of quality). Traits are of two types: original traits; which are birth-related, acquired inherently, and acquired traits; which are achievement related. Traits have wider role in determining personality and leadership qualities. According to Alport traits are personal dispositions. Under the influence of Behaviorist school of Psychological thoughts, the fact was accepted that personality and/or leadership traits are not completely inborn but can also be acquired through learning and experience. Traits like intelligence, enthusiasm, initiative ness, sympathy, empathy, self-confidence, analytical ability, memory, fairness, extroversion, aggressiveness, dominance, tactfulness, ambition, resourcefulness, judgment and many other such characteristics determining mental ability play crucial role in effort-performance relationships. Similarly, height, weight, color, structure/appearance, tolerance, stamina, vigor, strength, sturdiness style, smile and

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8 Webster’s New Dictionary.
many other traits are physical characteristics affect impact of efforts on performance. Keith Davis summarizes four major traits that affect personality and/or leadership.\(^{10}\)

1. Intelligence.
2. Social maturity and breadth.
3. Inner motivation and achievement drives.

Allports and Cattle have made considerable research on traits. Person’s ability to perform an activity can be thought of as having two components. First component is the person’s aptitude for the activity. And second are the learning opportunities that permit the person to develop his or her abilities. Aptitude refers to the person’s basic, built-in capacity for performing some activity effectively. At the same time, however, a person’s aptitudes are not translated into actual abilities until the person is provided with learning opportunities to develop these aptitudes.\(^{11}\)

Abilities and traits are closely related. Abilities depend on traits. Physical abilities are determined by physical traits and mental abilities are determined by mental traits as mentioned earlier. So, total ability is dependent on total number of traits of a person. Thus, ability is a set of mental and physical characteristics. When possesses more relevant traits, he would be in better position to perform desired work.

Efforts result in performance to the extent a person is able to work. Simply, degree to which efforts lead to desired performance largely depends on abilities a person has. Thus, success of efforts made depends on how many and what type of abilities a person possesses. High level of efforts must be supported by suitable/relevant abilities and traits. Based on different levels of efforts and abilities and traits and performance various combination can be prepared as shown in table number 4 on the next page.

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*CHAPTER 4* Porter-Lawler Model
Table No. 4: various possible combinations of Efforts, Abilities and Performance*

<table>
<thead>
<tr>
<th>No.</th>
<th>Levels of efforts</th>
<th>Abilities and traits</th>
<th>Resulting level of performance</th>
<th>Suggested managerial action</th>
</tr>
</thead>
<tbody>
<tr>
<td>1.</td>
<td>Maximum</td>
<td>Adequate</td>
<td>Desired or more than desired</td>
<td>No specific action is required. This level is to be maintained.</td>
</tr>
<tr>
<td>2.</td>
<td>Maximum</td>
<td>Less</td>
<td>Moderate or less than desired</td>
<td>Managerial action includes improving abilities by training and other possible ways</td>
</tr>
<tr>
<td>3.</td>
<td>Maximum</td>
<td>No</td>
<td>Zero or negative or unexpected</td>
<td>It requires rigorous plan to develop abilities.</td>
</tr>
<tr>
<td>4.</td>
<td>Less</td>
<td>Adequate</td>
<td>Moderate or below than desired</td>
<td>Improving efforts by improving variables contributing to efforts.</td>
</tr>
<tr>
<td>5.</td>
<td>Less</td>
<td>Less</td>
<td>Poor</td>
<td>Making attack to both efforts and abilities</td>
</tr>
<tr>
<td>6.</td>
<td>Less</td>
<td>No</td>
<td>Extremely poor</td>
<td>Giving more attention to abilities.</td>
</tr>
<tr>
<td>7.</td>
<td>No</td>
<td>Adequate</td>
<td>Nil</td>
<td>Concentrating on improving efforts.</td>
</tr>
<tr>
<td>8.</td>
<td>No</td>
<td>Less</td>
<td>Nil</td>
<td>Giving more importance to efforts.</td>
</tr>
<tr>
<td>9.</td>
<td>No</td>
<td>No</td>
<td>Nil</td>
<td>Improving both efforts and abilities.</td>
</tr>
<tr>
<td>10.</td>
<td>Counter/ negative</td>
<td>Adequate</td>
<td>More dangerous, more harmful or unexpected</td>
<td>Curtailing level of efforts and/or impact of abilities to avoid results.</td>
</tr>
<tr>
<td>11.</td>
<td>Counter/ negative</td>
<td>Less</td>
<td>Comparatively less harmful</td>
<td>Reducing level of efforts and abilities to minimize counter effect on performance.</td>
</tr>
<tr>
<td>12.</td>
<td>Counter/ negative</td>
<td>No</td>
<td>Minimally dangerous</td>
<td>Reducing efforts only.</td>
</tr>
</tbody>
</table>

(NOTE: With the assumption that one has right or correct role perception.)

Comments: Level of abilities/traits is of no use if efforts are not made. Abilities make a sense only when adequate efforts are made. Strategies to improve level of efforts or minimize impact of counter efforts have been suggested in EFFORTS. Here, only consideration is abilities/traits. It is also important to note that adequate abilities are essential only when efforts are made for positive outcomes. The strategies can be suggested with the assumption that full efforts are made and purpose is positive. Further more, only relevant (relevant to type and nature of work) abilities are important to improve performance. It is to be mentioned that all traits cannot be improved/change by managerial actions, as they are original attributes mainly acquired through heredity.

CHAPTER 4/ Porter-Lawler Model
Managerial implications:
With respect to abilities and traits, a manager has to formulate different strategies. The managerial actions depend on situations. Basically following strategies/actions are to be directed.

1. When employees have adequate abilities and traits, no need for specific actions but to maintain them and improve if required to fit with a new work.
2. When employees have inadequate abilities, efforts are made to increase such abilities by appropriate training and experience.
3. When employees have no abilities relevant to work requirements, different strategies are advocated.
   (a) Employee must be removed, as he is not fit for work.
   (b) To transfer the employee to other work or other departments where he is found fit for work.
   (c) Undertaking intensive training program to impart needed skills and abilities.

A manager must ensure that employees have necessary abilities and traits before he expects desired result form him. And employees should not struggle for expected results when he doesn’t possess deeded abilities and traits. In formulating motivation policy, traits and abilities of employees are to considered carefully to avoid

ROLE PERCEPTION- VARIABLE NUMBER 5:
This is another crucial determinant of effect of efforts on the performance. Role perception along with abilities and traits determines impact of efforts exerted on level of performance. It is to say that efforts and performance relationship is intermediated by these two variables: Box Number 4 and Box Number 5 in the model.

The role concept provides a theoretical construct for organization. Role can be defined as the expectations one has of a position. Each participant who occupies a position would have certain expectations from others as to what would be involved in this role. The organization can be thought of as a system of roles, and when these
roles interact with one another, the organization can more realistically be pictured as a system of overlapping roles set.\textsuperscript{12}

In the model, perceived role is more relevant. Perceived role may be different from reality or other’s expectations. How is one perceiving what, when, how, where, and why he should work is of much important consideration. It is necessary that a person must have correct and accurate role perception in order to perceive situation correctly, direct right efforts, and to understand job objectivity. If correct role is not perceived, a great deal of efforts result into ineffective performance.

The role can be defined as expectations, contribution, function or task. A part played by an actor or other; a function assumed by someone.\textsuperscript{13} Thus, role is total way of working. More specifically, it is a position that has expectations evolving from established norms. Each role has recognized expectations, which are acted out like a role in play.\textsuperscript{14} In an organization a person has any of these roles: worker, supervisor, clerk, officer, executive, manager, president etc. and each role demand particular way of working/ behavior. Each role has values, attitudes, position and degree of authority and responsibly. It is important that he must perceive his role correctly to satisfy other’s expectations. When a person perceives correct (correctly interpreting position/ work) role, he can justify expectations of other. Also he can respond effectively and can work as per requirements. The correct role perception indicates following implications:

- He defines and understands job/ work correctly.
- He fulfills others expectations reasonably.
- He puts efforts wisely.
- He perceives situations in a right form and direction.
- He behaves with other in an appropriate way/ manner.
- He employs right inputs/ methods/ techniques in a right quantity.
- He follows norms, values, policies, rules, and procedure formally prescribed.
- He considers exceptional incidents or emergency carefully and reacts differently than ordinary situations.

\textsuperscript{12} Fred E. Luthans, Organizational Behavior, p.544
\textsuperscript{13} Webster’s New Dictionary
\textsuperscript{14} Fred. E. Luthans, op. cit: p.374

\textit{CHAPTER 4/ Porter-Lawler Model}
- He can develop correct vision. He predicts the future more accurately.
- He develops himself as per requirements of organization and can be master in the area. He can have more relevant experience.

In short, correct role perception is characterized by ‘righteousness’ in all-important regards like objectives, requirements of job, understanding, time, place, methods, process, behavior and many such aspects. Only those who perceive their role as it is defined by the organization will be able to perform well when they put forth the requisite efforts.\footnote{Uma Sekaran, organizational Behavior-Text and Cases, Tata McGraw-Hill Publishing company Ltd. P. 71}

Note that a great deal of efforts with adequate abilities and traits are of no use if a person has incorrect role perception. It is one of the crucial and critical conditions to achieve expected result. Many times, work suffers or poor performance achieved due to incorrect or even distorted role perception. The incorrect role leads to misuse of resources also. It can be reiterated that adequate efforts with required abilities and traits leads to desired performance only when it is supported by right perception. And his perception regarding role is aging a function of various factors.

There are following possibilities of perception about role and each requires different treatment.

- Completely correct or accurate role perception.
- Fairly correct or accurate role perception.
- Lack of role perception. He can’t perceive what he is expected to do. He is in dilemma or confusion. It is the situation of no perception.
- Partially right/correct role perception. He can rightly perceive some aspects related to job but not all.
- Wrong or distorted perception. He perceives role completely different than required. He is on opposite direction.
Managerial Implications:
Above mentioned different role perceptions prevail in different situations. Analysis of these situations is valuable for a practicing manager to impart correct role perception.

Correct or fairly correct role prevails in one or more of following situations:
- The individual is provided with adequate, reliable, and relevant information in time regarding goals, procedures, rules, and expectations and/or;
- He trusts on information provided and/or;
- Evaluation is on current situation and not on past event or experience and/or;
- Needed training has been provided or has been acquired and/or;
- He is capable to perceive or see things objectively, free from bias, prejudice or emotion and/or;
- He is rational with balance mind and cannot be misguided by others easily and/or;
- Normal situation/condition exists.

No perception or partially correct role perception prevails when:
- Required information is not available or is made available, and/or;
- A person is unable to see the things correctly, a job may be new, and/or;
- There lacks required training, and/or;
- He has no trust on information provided, and/or;
- Reference are not fit or available, and/or;
- Information available is ambiguous.

Wrong or distorted perception prevails when:
- Information available or made available is incorrect or irrelevant, and/or;
- Person has distrust on information provided or on authority. It is also possible when climate of distrust prevail in organization, and/or;
- Strong influence of reference groups, and/or;
- A person has negative mentality, distorted mentality or strong dissatisfaction (opposition, hostility or conflict), and/or;
- Employee might have been provided with irrelevant training etc.

CHAPTER 4/ Porter-Lawler Model
As stated earlier, different types of role perceptions have different managerial implications and require different managerial action. Table No. 5 shows implications and managerial actions.

Table 5: Types of role perception, managerial implications, and managerial actions

<table>
<thead>
<tr>
<th>Types of role Perceptions</th>
<th>Managerial implications</th>
<th>Suggested managerial actions</th>
</tr>
</thead>
<tbody>
<tr>
<td>Correct or fairly correct role perception</td>
<td>It is advisable and this must be monitored and supported.</td>
<td>Supportive actions are necessary to encourage same perception. Ensuring continuity of information. Taking all steps to reinforce prevailing perception. Also certain precautionary measures are taken to avoid any change in the perception.</td>
</tr>
<tr>
<td>No role perception/ lack of any idea about job requirement</td>
<td>It is not a good posture. One cannot work effectively. It implies something wrong with management or ambiguous information. It also implies lack of training. However, no perception is better than distorted perception.</td>
<td>Find out causes responsible for lack of role perception. Needed information should be provided about job, rule, objectives etc; Climate of trust and confidence must be created. Improving motivation policy.</td>
</tr>
<tr>
<td>Distorted perception or wrong perception</td>
<td>It is very fatal situation leading to considerable loss of money, reputation and resources. It implies problem either with management or with employees. It is alarming situation and must be tackled with care and caution.</td>
<td>A manager has many options to convert such perception. Based on causes responsible appropriate steps must be directed. The steps may include changing mentality of employees and/or changing employees and/or changing sources of information and/or changing reward policies.</td>
</tr>
</tbody>
</table>

Role perception is dependent on following aspects:

1. Personal characteristics of employees.
2. Characteristics of work/job.
3. Information - time, quantity, quality, relevance, reliability etc.
4. References and outside factors.
5. Past experience.
A manager should do something so that employees can find it easy to develop fairly correct role perception. It is not so that people have wrong or distorted role perception in all the cases. Mostly, for existing staff, much depends upon the past and current policy of organization. He should formulate overall policy of organization in a way that more possibility for correct perception prevails.

It important to mention that no perception is better than the wrong perception. Wrong perception is a detrimental phenomenon that can affect not only present performance but also the future progress of the organization. All possible attempts should be made to prevent wrong perception to exist.

Table No. 6: Levels of efforts, types of role perceptions and level of performance

<table>
<thead>
<tr>
<th>No.</th>
<th>Level of efforts</th>
<th>Types of perceptions</th>
<th>Resulting performance</th>
</tr>
</thead>
<tbody>
<tr>
<td>1.</td>
<td>Maximum</td>
<td>Correct</td>
<td>Excellence</td>
</tr>
<tr>
<td>2.</td>
<td>Maximum</td>
<td>No</td>
<td>Uncertain</td>
</tr>
<tr>
<td>3.</td>
<td>Maximum</td>
<td>Distorted</td>
<td>Undesirable</td>
</tr>
<tr>
<td>4.</td>
<td>Less</td>
<td>Correct</td>
<td>Low</td>
</tr>
<tr>
<td>5.</td>
<td>Less</td>
<td>No</td>
<td>Uncertain</td>
</tr>
<tr>
<td>6.</td>
<td>Less</td>
<td>Distorted</td>
<td>Less harmful</td>
</tr>
<tr>
<td>7.</td>
<td>No</td>
<td>Correct</td>
<td>Nil</td>
</tr>
<tr>
<td>8.</td>
<td>No</td>
<td>No</td>
<td>Nil</td>
</tr>
<tr>
<td>9.</td>
<td>No</td>
<td>Distorted</td>
<td>Nil</td>
</tr>
<tr>
<td>10.</td>
<td>Negative</td>
<td>Correct</td>
<td>Adverse to expectation</td>
</tr>
<tr>
<td>11.</td>
<td>Negative</td>
<td>No</td>
<td>Uncertain</td>
</tr>
<tr>
<td>12.</td>
<td>Negative</td>
<td>Distorted</td>
<td>May be good performance</td>
</tr>
</tbody>
</table>

It is important to mention that level of efforts results into performance to the extent a person holds role perception correctly. Various combinations are possible using different types of role perceptions with level of efforts. Table No. 6 shows level of efforts, types of perceptions and resulting performance.

\* Counter efforts are made with wrong perception, both are adverse, may result into desired performance unknowingly.

\* Assuming that one has required abilities and traits.

CHAPTER 4/ Porter-Lawler Model
Table No.6 on the previous page shows various combinations of level of efforts and types of perception. It can be observed that only correct role perception results into desired performance. In practice, there exists different degree of righteousness of perception, right from most correct to most wrong. So, more combinations are possible.

Thus, abilities, traits, and role perception moderate effort-performance relations. Desired performance is possible on when one has required abilities and traits and correct role perception.

**PERFORMANCE VARIABLE NUMBER 6:**
The dictionary meaning of performance is: It is the act of performing, a piece of work, carrying out duty. According to Victor S. Vroom’s expectancy theory, it is a first level outcome. It implies carrying out work successfully. Performance can be evaluated either absolutely or relatively. Absolute evaluation is made in relation to norms, standard, time, input-output relations, and other criteria. While comparative evaluation is based on comparison with others inside and/or outside the organization. Likewise performance is measured in form of quantity and/or quality. Qualitative measurement depends on level of satisfaction, relations, morale, respect, image and other behavior measures. Whereas quantitative measurement depends on amount of profits, sales, inputs-outputs relations, level of wastage accuracy, time and many other similar physical standards.

Performance represents the pragmatic (practical) result that organizations are able to measure objectively. Performance is expectations of the organization. It is what organization wants people to achieve. In general, it is indifferent forms as stated below:

1. Quantity of sales or sales volume.
2. Number of people (customers, agents etc.)
3. Profits and expenses (costs).
4. Time.

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16 Webster’s new dictionary.
18 Fred E. Luthans, *Organizational Behavior*.

*CHAPTER 4/ Porter-Lawler Model*
When work assigned to an individual is completed according to norms, standards and expectations of organization in time, it can be said that performance is satisfactory. Remind that performance is organization’s expectation. It concerns with organizational objectives. Degree to which it is achieved, determines organization’s satisfaction. Furthermore, it is output for organization and it is used as input base for employees’ satisfaction. It is used as instrumental for second level outcomes (rewards) in expectancy theory.

Performance is the outcome of efforts (determined by value of reward and perceived effort-reward probability) mediated by abilities and traits and role perception. The interrelation among efforts and abilities and traits has been shown in figure 4.

Figure 4 Relationships between efforts and performance

CHAPTER 4/ Porter-Lawler Model
Table No. 7: Relationships among efforts, abilities, role perception and performance.

<table>
<thead>
<tr>
<th>No.</th>
<th>Level of efforts</th>
<th>Abilities and traits</th>
<th>Type of role perception</th>
<th>Resulting performance</th>
</tr>
</thead>
<tbody>
<tr>
<td>1.</td>
<td>Maximum</td>
<td>Adequate</td>
<td>Correct</td>
<td>Excellent</td>
</tr>
<tr>
<td>2.</td>
<td>Maximum</td>
<td>Adequate</td>
<td>No</td>
<td>Uncertain</td>
</tr>
<tr>
<td>3.</td>
<td>Maximum</td>
<td>Adequate</td>
<td>Wrong</td>
<td>Extremely harmful</td>
</tr>
<tr>
<td>4.</td>
<td>Maximum</td>
<td>Less</td>
<td>Correct</td>
<td>Good</td>
</tr>
<tr>
<td>5.</td>
<td>Maximum</td>
<td>Less</td>
<td>No</td>
<td>Uncertain</td>
</tr>
<tr>
<td>6.</td>
<td>Maximum</td>
<td>Less</td>
<td>Wrong</td>
<td>Harmful</td>
</tr>
<tr>
<td>7.</td>
<td>Maximum</td>
<td>No</td>
<td>Correct</td>
<td>Poor</td>
</tr>
<tr>
<td>8.</td>
<td>Maximum</td>
<td>No</td>
<td>No</td>
<td>Uncertain/no</td>
</tr>
<tr>
<td>9.</td>
<td>Maximum</td>
<td>No</td>
<td>Wrong</td>
<td>Less harmful</td>
</tr>
<tr>
<td>10.</td>
<td>Less</td>
<td>Adequate</td>
<td>Correct</td>
<td>Fair/ Acceptable</td>
</tr>
<tr>
<td>11.</td>
<td>Less</td>
<td>Less</td>
<td>Correct</td>
<td>Poor</td>
</tr>
<tr>
<td>12.</td>
<td>Less</td>
<td>No</td>
<td>Correct</td>
<td>Poorer</td>
</tr>
<tr>
<td>13.</td>
<td>Less</td>
<td>Adequate</td>
<td>No</td>
<td>Uncertain</td>
</tr>
<tr>
<td>14.</td>
<td>Less</td>
<td>Less</td>
<td>No</td>
<td>Uncertain</td>
</tr>
<tr>
<td>15.</td>
<td>Less</td>
<td>No</td>
<td>No</td>
<td>Uncertain</td>
</tr>
<tr>
<td>16.</td>
<td>Less</td>
<td>Adequate</td>
<td>Wrong</td>
<td>Harmful</td>
</tr>
<tr>
<td>17.</td>
<td>Less</td>
<td>Less</td>
<td>Wrong</td>
<td>Harmful</td>
</tr>
<tr>
<td>18.</td>
<td>Less</td>
<td>No</td>
<td>Wrong</td>
<td>Less harmful</td>
</tr>
<tr>
<td>19.</td>
<td>No/ Zero</td>
<td>Adequate</td>
<td>Correct</td>
<td>Nil</td>
</tr>
<tr>
<td>20.</td>
<td>No/ Zero</td>
<td>Adequate</td>
<td>No</td>
<td>Nil</td>
</tr>
<tr>
<td>21.</td>
<td>No/ Zero</td>
<td>Adequate</td>
<td>Wrong</td>
<td>Nil</td>
</tr>
<tr>
<td>22.</td>
<td>No/ Zero</td>
<td>Less</td>
<td>Correct</td>
<td>Nil</td>
</tr>
<tr>
<td>23.</td>
<td>No/ Zero</td>
<td>Less</td>
<td>No</td>
<td>Nil</td>
</tr>
<tr>
<td>24.</td>
<td>No/ Zero</td>
<td>Less</td>
<td>Wrong</td>
<td>Nil</td>
</tr>
<tr>
<td>25.</td>
<td>No/ Zero</td>
<td>No</td>
<td>Correct</td>
<td>Nil</td>
</tr>
<tr>
<td>26.</td>
<td>No/ Zero</td>
<td>No</td>
<td>No</td>
<td>Nil</td>
</tr>
<tr>
<td>27.</td>
<td>No/ Zero</td>
<td>No</td>
<td>Wrong</td>
<td>Nil</td>
</tr>
</tbody>
</table>

*Note: Only three levels have been considered in of the variables*

Comment: level of efforts, amount of abilities and traits and type of role perception are the inputs leading to performance. Different degrees of each of the variables results into different level of performance. In fact, more combinations are possible. Also, performance level differs based on situations. Above-mentioned performance is subject to change in each case of combination. The stated are possible combinations, not final.
Table number 7 shows different possible combinations of three variables: efforts, role perception and resulting performance. Excellent performance is possible only in case when the individual possesses the right role perception and adequate abilities. In fact, practically, this is the rare case. It prevails in between two extremes. However, it can be kept nearer to perfection.

Efforts precedes performance, the two are not equal. The difference exists of employees' abilities, traits, and their role perception. Thus, performance depends not only amount of efforts exerted but also on one's abilities, traits, and the way he perceives the role he should take. In other words, even though, the employee makes a great deal of efforts, if he has a little ability and/or inaccurate role perception, the resulting performance may end up being ineffective.

This relationship has useful managerial implication for practicing manager. Only encouragement to put more efforts is not enough. He must ensure that employees have adequate and relevant abilities and accurate role perception.

It is quite clear that each variable is required to treated carefully to optimize is contribution in performance. The efforts can be improved differently. (Detailed discussion has been made in EFFORTS) Maximum efforts result in desired performance only if it is supported by adequate and relevant abilities and traits as well as right role perception. Table number 8 shows clues for a manager to formulate managerial actions for improving/ ensuring abilities and role perception:

The manager should strive to achieve excellent performance and should prevent the most undesirable performance. Actual performance lies in between these two extremes. However, most critical variable in performance is, perhaps, role perception. Table number 7 shows that a harmful or counterproductive performance prevails in case of wrong or distorted perception. It is much vital to emphasize that management should/can compromise with abilities, traits, and level of efforts but cannot with improper perception. And, no perception (lack of perceiving stimuli) is better than wrong perception.

CHAPTER 4/ Porter-Lawler Model
Table No. 8: Managerial clues for improving inputs undergo in performance.

<table>
<thead>
<tr>
<th>Names of variables</th>
<th>Degree of variables</th>
<th>Clues for managerial actions</th>
</tr>
</thead>
<tbody>
<tr>
<td>EFFORTS</td>
<td>MAXIMUM</td>
<td>To do nothing but to monitor it</td>
</tr>
<tr>
<td></td>
<td>LESS</td>
<td>To find out reasons and inspire them to make more efforts</td>
</tr>
<tr>
<td></td>
<td>NO</td>
<td>To find out reasons and prepare more comprehensive plan.</td>
</tr>
<tr>
<td>ABILITIES AND TRAITS</td>
<td>ADEQUATE</td>
<td>To do nothing but to monitor it</td>
</tr>
<tr>
<td></td>
<td>LESS</td>
<td>To give them reasonable training and take care for the future selection</td>
</tr>
<tr>
<td></td>
<td>NO</td>
<td>To change them, change work and to provide more training</td>
</tr>
<tr>
<td>ROLE PERCEPTION</td>
<td>CORRECT</td>
<td>To do nothing but to monitor it</td>
</tr>
<tr>
<td></td>
<td>NO</td>
<td>To make them to develop the correct role perception.</td>
</tr>
<tr>
<td></td>
<td>WRONG</td>
<td>To change perception thoroughly or to change employees</td>
</tr>
</tbody>
</table>

How can performance be made desirable? The answer depends on combinations of all these three variables. Table number 8 shows clues to improve performance. Various remedial actions have been suggested individually in the respective variables in former discussion. Note that performance is an input in effort-reward probability. Degree to which effort-reward relationship determines level of efforts, which again determines level of performance. The perception about effort-reward may base on study, past experience, guidelines provided by the organization, and information/recommendations by peers or colleagues.

Performance is a key determinant of reward. For every individual, the target is to achieve desired performance, as performance is an instrument/base (instrumentality as stated by Vroom in his Expectancy theory) for availing rewards. Desired performance is result of interplay of at least five variables: needs, value of reward, perceived effort-reward probability (inputs in efforts), abilities and traits, and role

CHAPTER 4/ Porter-Lawler Model
perception (determining impact of efforts on performance). Following figure depicts variables undergo in performance.

![Figure 5: Relations among variables determining level of performance.](image)

Performance is based on needs and efforts. Needs are based on a lot of physiological, social and cultural factors. Level of efforts depends on value of rewards and, perceived effort-reward probability. And, degree to which level of efforts results into desired performance is mediated by abilities and traits and, role perception.

In brief, desired performance is possible only when following conditions are fulfilled:

- The person has unmet needs and is willing to satisfy them. He has higher value of rewards. He strongly prefers something.
- Rewards are valent for him.
- He believes that, if efforts were exerted, there would be desired performance. He has correct perception about effort-reward relationship.
- He is ready to make efforts. He is ready to struggle.
- He has adequate and relevant abilities and traits.
- He has correct role perception.

Assuming that the organization has suitable structure, adequate facilities, and a conducive work climate.
Performance $P$ is outcome of product of these three variables. (As per figure 5)

Thus, in mathematically performance can be stated as:

$$P = (A)^*(1 \cdot 2 \cdot 3 \cdot 4)$$

Where,

- $P$ = performance
- $I$ = Value of rewards
- $2$ = Perceived effort-reward probability
- $3$ = Abilities and Traits
- $4$ = Role perception
- $A$ = Existence of unmet needs and desire to satisfy

Also, 1 and 2 determine level of efforts; 3 and 4 determines effect of efforts on performance.

Managerial Implications:

- Desired performance is dependent on efforts, abilities to work and role perception. All these three variables must be equally considered.
- Failure should not be attributed to any one variable. A manager should detect first which variable is responsible for such performance. Depending upon poor variable, appropriate managerial policy should be prepared.
- A manager should develop and adopt integrative approach to improve performance.
- At time recruiting employees, care should be taken to avoid maladjustment in the future. Employees of right abilities, right perception and knowledge of work should be appointed.
- Role perception is much vital variable and it required to be treated with care and caution.
- Management should provide relevant and reliable information to employees on a continuous basis.
- Direct and continuous contact or supervision is extremely necessary. Employees oriented policy should be formulated and implemented.

CHAPTER 4/ Porter-Lawler Model
REWARDS- VARIABLE NUMBER 7:
Box number 7 in the model represents rewards. Performance leads to rewards. Reward is second level outcome in Victor S. Vroom’s theory\textsuperscript{19}. In normal situation, if performance is up to standard (even more than standard), reward is awarded, offered, granted or, due. Reward is something, which is given in return for something done.\textsuperscript{20} Reward is presentation of something that is subjectively deemed to be desirable. Reward is given by a person who thinks it is desirable\textsuperscript{21}.

Reward and reinforcement are used interchangeable. These both terms are closely related. However, there is a little difference. Reinforcement is defined functionally. It can be defined as anything that increases both the strength of response and trends to induce repetition of the behavior preceded the reinforcement.

Rewards are tools, means, or motivators that tempt people to work. Actually, individuals establish relation between effort, performance and reward. So, reward is compensation for performance preceded by efforts. And when reward is repeatedly given for particular type and level of performance, and individual establishes relation between these two (performance and reward), is known as reinforcement.

It increases strength of response in term of maintaining and/or improving performance- exerting positive behavior. Also induces repetition of behavior. Thus, both have more or less similar meaning. Other words similar to reward are compensation, return, incentive, motivational tool, benefit, outcome etc.

\textit{Motivation starts and ends with reward (satisfaction). The organization must, therefore, ensure that its reward systems are designed suitably to motivate and maintain effective performance of employees throughout the organization}

If person has strong belief (perceived effort-reward probability) that positive outcomes (rewards) follow effective performance, he is highly motivated to perform

\textsuperscript{19} Ibid.
\textsuperscript{20} Webster’s New Dictionary.
\textsuperscript{21} Fred E. Luthans, \textit{Organizational Behavior}, p.250.
effectively\textsuperscript{22}. For example: A person who believes that positive outcomes such as pay increase, and promotion are offered as a result of effective performance, is motivated strongly to perform well. Another person who believes that only negative outcomes such as punishment, penalty, frustration and fatigue result from performance (of any type and level) is not motivated to perform well. Thus, reward itself has considerable impart on efforts leading to performance.

There are different from of rewards Following classification shows main categories of rewards\textsuperscript{23}:

- Direct rewards and indirect rewards
- Financial rewards and non-financial rewards
- Individual rewards, collective rewards and institutional rewards etc

<table>
<thead>
<tr>
<th>Monetary Rewards</th>
<th>Non-monetary Rewards</th>
</tr>
</thead>
<tbody>
<tr>
<td>Direct rewards</td>
<td>Individual Rewards</td>
</tr>
<tr>
<td>Salary/ Wage</td>
<td>Status</td>
</tr>
<tr>
<td>Overtime pay</td>
<td>Promotion</td>
</tr>
<tr>
<td>Holiday pay</td>
<td>Responsibility</td>
</tr>
<tr>
<td>Profit sharing</td>
<td>Authority</td>
</tr>
<tr>
<td>Fringe Benefits</td>
<td>Recognition</td>
</tr>
<tr>
<td>Bonus</td>
<td>Job security</td>
</tr>
<tr>
<td>Prize etc.</td>
<td>Respect</td>
</tr>
<tr>
<td></td>
<td>Designation</td>
</tr>
<tr>
<td>Indirect rewards</td>
<td>Social importance of work</td>
</tr>
<tr>
<td>Housing allowance</td>
<td>Team spirit</td>
</tr>
<tr>
<td>Conveyance</td>
<td>Informal relation</td>
</tr>
<tr>
<td>Medical allowance</td>
<td>Special dealing</td>
</tr>
<tr>
<td>Consumable items</td>
<td>Healthy competition</td>
</tr>
<tr>
<td>Recreational</td>
<td>Other non-financial</td>
</tr>
<tr>
<td>Free education</td>
<td>Rewards to group</td>
</tr>
<tr>
<td>Domestic servant</td>
<td>Group awards/ certificate</td>
</tr>
<tr>
<td>Free lunch etc.</td>
<td></td>
</tr>
</tbody>
</table>

| Direct rewards                    | Collective Rewards                  |
| Salary/ Wage                      | Social importance of work           |
| Overtime pay                      | Team spirit                         |
| Holiday pay                       | Informal relation                   |
| Profit sharing                    | Special dealing                     |
| Fringe Benefits                   | Healthy competition                 |
| Bonus                             | Other non-financial                 |
| Prize etc.                        | Rewards to group                    |
|                                  | Group awards/ certificate           |
| Indirect rewards                  |                                    |
| Housing allowance                 |                                    |
| Conveyance                        |                                    |
| Medical allowance                 |                                    |
| Consumable items                  |                                    |
| Recreational                      |                                    |
| Free education                    |                                    |
| Domestic servant                  |                                    |
| Free lunch etc.                   |                                    |

| Direct rewards                    | Institutional Rewards               |
| Salary/ Wage                      | Good human relation                 |
| Overtime pay                      | Participation                       |
| Holiday pay                       | Morale building                     |
| Profit sharing                    | Discipline                          |
| Fringe Benefits                   | Conductive policy                   |
| Bonus                             | Good location                       |
| Prize etc.                        | Free communication                  |
| Indirect rewards                  | Healthy climate                     |
| Housing allowance                 | Special schemes etc.                |
| Conveyance                        |                                    |
| Medical allowance                 |                                    |
| Consumable items                  |                                    |
| Recreational                      |                                    |
| Free education                    |                                    |
| Domestic servant                  |                                    |
| Free lunch etc.                   |                                    |

\textbf{Figure 6: Classification of rewards.}

\textbf{Monitory rewards:}

Monitory rewards are paid in form of money. Monitory rewards can be classified in two categories: \textit{Direct rewards}, which are paid directly to employees. They are based on actual performance. Better performance fetches more amounts of direct rewards. Whereas, \textit{indirect rewards} are paid indirectly. These rewards are not paid in cash. But expenses are bare by company. They are paid on behalf of employees. These rewards

\textsuperscript{22}A laboratory study of the expectation-performance relationship, \textit{Journal of Applied Psychology}, 1982
\textsuperscript{23}L. M. Prasad, \textit{Principles and Practice of Management}, Sultan Chand and Sons, New Delhi, 1991 p.566

\textit{CHAPTER 4/ Porter-Lawler Model}
are not paid discriminatively. However, they can be linked with performance. Different types of direct and indirect rewards have been shown in figure 6.

**Non-monitory rewards:**

They are also known as non-financial rewards. Non-monitory rewards can be of three categories: *Individual rewards* are offered personally. They are more relevant to individual efforts and performance. They are purely based on performance. *Collective rewards* are group rewards. They are offered collectively to a team. They are based on group performance. While *institutional rewards* are general in nature. In direct and non-financial benefits available due to such treatments by an organization are known as institutional rewards. Various types of individual, collective and institutional rewards have been stated in figure 6.

However, rewards offered on individual basis are more meaningful and relevant to induce a person to exert more efforts. They can easily be linked with individual performance. Comparatively it is easy to administer such rewards. Social psychologist and behaviorists have classified rewards in term of *intrinsic* and *extrinsic rewards*. They have been explained in the successive variables.

Rewards offered/ followed by performance may be: (1) directly and closely related to performance. They are performance-based rewards (positive and negative both, (2) partially based on performance, (3) free from level of performance.

For improving motivation, it is necessary to link rewards substantially with level of performance. And, for that purpose the organization should have clear and explicit policy as well as communication network. Mostly, positive rewards are considered for formulating motivational policy. However, negative rewards are also important in many cases to improve performance. The negative motivation may be proved powerful source to generate desired performance. Practically, negative rewards are used to extinguish undesirable behavior, prevent undesirable response, or to avoid low, harmful, and irrelevant performance.

*CHAPTER 4/ Porter-Lawler Model*
EXTRINSIC REWARDS AND INTRINSIC REWARDS:
In the model, Box number 7(A) and, Box number 7(B) represent intrinsic rewards and intrinsic rewards respectively. The rewards indicate combination of both. For a person equitable rewards include both types of rewards.

INTRINSIC REWARDS-VARIABLE NUMBER 7(A):
EXTINSIC REWARDS- VARIABLE NUMBER 7(B):
Dictionary meaning of word ‘intrinsic’ is: Belonging to real nature of thing. It is just like internal thing. Intrinsic rewards are internally related. They are concerned with person himself such as self-satisfaction, interest, pride, justification, realization, and happiness. Person, at self-actualization level is, generally, motivated by intrinsic rewards. Intrinsic motivation (efforts to get intrinsic rewards) is self-propelling force, which constantly keeps individuals motivated to engage in diligent work behavior\(^2\).

They are those feelings of joys, self-esteem and sense of competence that individuals feel when they do a good job. Intrinsic rewards are those “mediated by person himself”\(^2\).

Intrinsic factors are “those directly related to actual performance of the job” and extrinsic factors are “those related to the environment in which job is being performed”\(^2\). “All the internal factors are internal feelings while extrinsic factors are external situations.”\(^2\)Extrinsic rewards are external and very often artificial, has no direct relation with behavior itself. Intrinsic rewards are, on other hand, are more natural consequence of a behavior. They create cognitive expected relationship to the behavior itself. Thus, the extrinsic rewards re more closely associated with behavioristic approach and the intrinsic reward re more associated with the cognitive approach.

Fredric Herzberg of Case-Western Reserve University and his associates had made considerable work under the title "Two Factor Theory" on intrinsic and extrinsic rewards. This study consists of an intensive analysis of the experiences of and feelings of 200 engineers and accountants in nine different companies in Pittsburgh area, U.S.A. As per his contribution extrinsic rewards are hygiene factors and intrinsic rewards are motivators. Furthermore intrinsic factors are job content factors and extrinsic rewards are job context factors. According to Herzberg in advance society where people are adequacy paid, are not motivated by extrinsic rewards. He asserted that extrinsic rewards/hygiene factors are maintenance factors and just prevent dissatisfaction but cannot leads to further improvement in performance. It is intrinsic factors/ satisfier or job content factors, which motivate employees continuously.

The extrinsic rewards, being external or environmental, are offered by other. On the other end, internal rewards, being internal/cognitive, are derived by employees themselves. List of two types of factors in work motivation are listed as below:

Table No.9: Herzberg's classification of job contents and job context factors

<table>
<thead>
<tr>
<th>Job Content factors</th>
<th>Job context factors</th>
</tr>
</thead>
<tbody>
<tr>
<td>Achievement/perfection/Mastery</td>
<td>Company policy and administration</td>
</tr>
<tr>
<td>Recognition/pride</td>
<td>Supervision</td>
</tr>
<tr>
<td>Work itself/job satisfaction</td>
<td>Interpersonal relation with superior</td>
</tr>
<tr>
<td>Responsibility</td>
<td>Interpersonal relation with peers</td>
</tr>
<tr>
<td>Advancement/excellence</td>
<td>Interpersonal relation with subordinates</td>
</tr>
<tr>
<td>Growth</td>
<td>Working condition/facilities</td>
</tr>
<tr>
<td>Pleasure</td>
<td>Job security</td>
</tr>
<tr>
<td>Enjoyment</td>
<td>Pay</td>
</tr>
<tr>
<td>Interest</td>
<td>Status</td>
</tr>
<tr>
<td>Attachment</td>
<td>Persona life</td>
</tr>
</tbody>
</table>


CHAPTER 4/ Porter-Lawler Model
Comment: Note that job content factors are always of non-monitory nature and are derived from work itself. Job context factors are both financial and non-financial but are offered by other. Job content factors are similar to intrinsic reward and job context factors are similar to extrinsic rewards. Extrinsic are dependent in nature and extrinsic rewards are independent. A person himself derives the intrinsic rewards. Moreover, intrinsic rewards depends much on perception and nature of employees.

Managerial Implications:

- Employees must be provided with adequate and regular extrinsic rewards to keep them reasonably motivated. Adequate provision of such rewards prevents dissatisfaction.
- For further motivation/satisfaction, a manager should emphasize on intrinsic rewards. After certain limit, any addition in extrinsic rewards has no impact on motivation.
- Job design is a key aspect to motivate employees intrinsically.
- There should be appropriate combinations of both to ensure high level of motivation and satisfaction.
- Periodically changes should be initiated to maintain positive effect on efforts and performance.
- Individual differences are important consideration in formulating motivation policy.
- Negative extrinsic rewards may be used to prevent them doing undesirable work.

PERCEIVED EQUITABLE REWARDS- VARIABLE NUMBER 8:

Box number 8 in the model represents equitable rewards. Perceived equitable rewards vitally affect the performance-satisfaction relationship. They reflect fair/reasonable level of rewards that the individual feels should be granted for a given level of performance. The perception of equitable rewards can be directly affected by self-rated performance, as indicated by the diagonally directed short arrows in the model.

Note that the perceived equitable rewards may be less than, equal to or, more than rewards granted. Whether rewards granted/due/received (both intrinsic and extrinsic)
are equitable that is dependent on perception of the individual. Apart from real relationship between performance and rewards, what he thinks rewards should be, is more relevant. Thus, his perception on rewards is main determinant of equality of rewards.

Here, extrinsic rewards are more relevant as intrinsic rewards are internally or cognitively assessed. However, intrinsic rewards definitely affect level of satisfaction. Moreover, on intrinsic rewards, the organization has no control except making work intrinsically attractive. So, from management view, extrinsic rewards are more practical and critical. In short, rewards due/granted must be equal to the expectation of the individual. The perception of individual on rewards is affected by large number factors. Employees working in particular organization, with same qualifications, and experience on the same status/position, at the same time, may have different expected rewards. With reference to perception of equitable rewards, below listed aspects are worth noted:

- Employee's inputs like age, sex, education, social status, designation, expertise, how hard he works, creativity and other socio-psychological factors affect self-assessment of equitable rewards.
- Level of efforts and level of performance.
- Nature of job performed (irrespective of level and quality of performance) including degree of risk, time, stress etc.
- Even performance is low; he may perceive high rewards as equitable rewards, because of more expectation based on amount of efforts he made or his inputs.
- Equitable reward assessment is also affected by reward policy and practice of same kind of other organizations in the industry. How much and for what level of efforts and performance employees of other organizations are made/offered are equally important for self-assessment.
- The employee may take historical relation about efforts/performance and rewards.
- Sometimes, even performance is below than required, he expects/perceive more rewards as he has put forth more rigorous efforts. Here, he perceives more rewards than performance because he considers level of efforts for assessing amount of rewards.
Role of others such as trade unions, family members, other reference groups and associations affect one’s perception of rewards.

Apart from above stated variables, time, mental state, mentality (optimistic or pessimistic), company’s policy professional norms and such other factors affects what are and how much rewards should be.

Perceived equitable also includes level of job satisfaction he derives from performing particular job.

Other losses or sacrifices he suffered/ tolerated to do particular work, including family or social life, relation with other employees, working against interest and nature, forgone opportunity for advancement etc.

Figure 7 on the next page shows relationship among level performance, amount of rewards (in normal situation and practice) and possibilities of perceiving rewards as equitable rewards.

<table>
<thead>
<tr>
<th>Management perception</th>
<th>Perception of employees</th>
</tr>
</thead>
<tbody>
<tr>
<td>Performance</td>
<td>Rewards</td>
</tr>
<tr>
<td>Excellent</td>
<td>Best</td>
</tr>
<tr>
<td>Satisfactory</td>
<td>Good</td>
</tr>
<tr>
<td>Poor</td>
<td>Less</td>
</tr>
<tr>
<td>Nil-Zero</td>
<td>No</td>
</tr>
<tr>
<td>Undesirable/counter</td>
<td>Negative</td>
</tr>
</tbody>
</table>

Perceived equitable reward rewards imply what is fair/ equitable/ reasonable according to person’s estimate. It is personal expectation and is not always justifiable. It depends largely on personal characteristics (personality, ability, socio-economic factors needs, references etc.)
Comment (Figure 7): Only in case when management policy regarding rewards is complementary to expectations of employees, equitable rewards are possible. Figure 3 shows relationship among three variables; level of performance, actual rewards offered by management and perceived rewards by employees. In a normal situation, management pays/offers rewards based on level of performance. In a figure it can be observed different types of rewards corresponding to different levels of performance. For every combination of performance and rewards, there exist three possibilities as per perception of the employees: rewards more than performance, rewards equal to performance and rewards less than performance. Compared to efforts he exerted, performance he achieved and many other factors determine what and how much equitable rewards should be. It is interesting to mention that perceived equitable rewards include no reward as well as negative rewards like status quo (withholding promotion). Therefore one may not always perceive positive rewards as equitable rewards. Here, what is offered is not but what the employee expects is important for perceiving any reward as equitable. (e.g. when employee strongly resists or hate some rewards like promotion with transfer in big cities, high status, more authority along with more responsibilities, prospective job with considerable challenges and risk, he may not perceive these rewards as equitable because he doesn’t want such rewards. For him, no rewards/ negative rewards like postponing promotion and benefits associated with it are equitable rewards.

Based on actual performance (sometimes efforts and performance both), management offers rewards as per policy and practice may have three possibilities:

1. Actual rewards > perceived rewards.
2. Actual rewards < perceived rewards.
3. Actual rewards = perceived rewards.

Managerial implications: This variable has a number of implications for practicing managers for designing motivational policy for the organization:

1. Rewards must be liked with performance preceded by amount of efforts.
2. Rewards must be equitable to level of performance. There must be parity between performance and efforts.
3. Management should also consider level of efforts along with level of performance as many times performance suffers by the causes for which employees is not responsible.

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4. It is not important what and how much is offered by management as a reward, but what employee values or desires as a reward.

5. Perceived equitable reward is employee’s expectation from management. Concept “equitable rewards” is individual concern.

6. For employee, both intrinsic and extrinsic rewards are important. So, what management offers to employee as a return for particular level of performance is not only essential to decide equitable rewards, but what he derives from job itself is equally essential for deciding on aggregate of rewards. Management should also try for job satisfaction.

7. Level of performance is not only factor to decide type and amount of rewards, but level of employee’s efforts and his expectations.

8. Care should be taken at the time of selection of employees to avoid maladjustment in the future. Employees of right attitudes and aptitude should be selected.

9. Divergent aspect of perceived equitable reward is negative or opposite rewards. Management should remember that employees do not expect all the time positive rewards. There are number of situations and occasions in which employees expect negative rewards. Thus, decision on what is equitable for employees is very sensitive one. With a lot of care and precaution are necessary to make organizational offer of rewards as “equitable rewards”

SATISFACTION-VARIABLE NUMBER 9:
This is the last but much critical variable of the model. This variable affects all other variables of the model. In the model it can be seen that model begins and ends with satisfaction. It is interesting to mention that employee’s motivation/effort for satisfaction starts from satisfaction. So, satisfaction is an input in motivation for getting satisfaction. Throughout the model, satisfaction remains an important issue to concentrate.
Equitable rewards lead to satisfaction. Satisfaction is the final stage of efforts exerted. It is realization or actualization of efforts made. See figure 8:

![Diagram of Porter-Lawler Model](image_url)

**Figure 8: Impact of Satisfaction on other variables.**

**Interpretation of figure No. 8:**

Figure number 8 shows that satisfaction is the final result of efforts and is also one of the inputs in efforts. It can also be observed that every variable of the model is directly or indirectly influenced by level of satisfaction. Satisfaction is cause as well as result and input as well as output:

- Value of rewards, one of the key variables in efforts, is based on level of expected satisfaction. When there exists more possibility that rewards result into desired level of satisfaction, value of reward would be higher and consequently more efforts would be made. *(Satisfaction, value of rewards and efforts)*

- The degree of perceived effort-reward probability is based on level of satisfaction. When particular level of efforts leads desired rewards are expected to lead desired satisfaction, effort-reward probability would be high and result is more efforts. *(Satisfaction and perceived effort-reward probability)*

*CHAPTER 4/ Porter-Lawler Model*
It is also possible that performance results into satisfaction directly via intrinsic rewards when intrinsic rewards are more powerful than extrinsic rewards. *(Extrinsic rewards and satisfaction)*

Rewards, if equitable, can lead to desired level of satisfaction. *(Rewards and satisfaction)*

It is now very clear that satisfaction and expectation (probability) are two fundamental or basic variables in the model. Human being make efforts with the expectation of satisfaction in the future. Efforts are made in a present situation but with realization of satisfaction in the future. **This model is developed mainly on expectancy and satisfaction.** It is, therefore, recognized as improvement over Vroom’s expectancy theory of work motivation.\(^2^9\)

Term ‘satisfaction’ is feeling of equality between what is perceived to be offered and what is actually offered. Dictionary meaning of satisfaction is: To be enough, to get in full, to meet in full, to give/get content.\(^3^0\) Satisfaction simply means fulfillment or to be contented or to be pleased. Satisfaction also means solution of problem actualization of expectations, or removing lackness.

It is also important to note that motivation is not same as satisfaction. Satisfaction is an attitude, an internal cognitive state and is determined not only by external/extrinsically but also internally/intrinsically. When performance is poor, a person is not fully satisfied, even though he is offered more rewards. First he wants to meet desired performance and then he compares reward with his performance.

In the model, satisfaction is one of the variables and it is derived from the extent to which actual rewards fall short, meet or exceed the person’s perceived equitable rewards. When actual rewards (extrinsic and intrinsic both) meet or exceed, the individual is satisfied. On the other end, if actual rewards are below than what is perceived to be equitable, the individual is not (fully) satisfied. This explanation of satisfaction makes tow important departures from traditional thinking about

\(^2^9\) L.M. Prasad, Principles and Practice of Management, Sultan Chand and Sons, New Delhi, p.550-552.
\(^3^0\) Webster’s New Dictionary.
satisfaction: First, the model recognizes that satisfaction is determined only in part by actual rewards received. It depends on what a person feels that organization should reward for given level of performance. (Satisfactory rewards according to organization may not be satisfactory according to the individual). Second, and of greater importance, the model recognizes satisfaction to be more dependent on performance than performance on satisfaction.\textsuperscript{31}

Performance causes satisfaction because the individual perceives reward on the basis of performance. Concept of equality is based on performance. If one does a good job, he feels good about it. It leads to improved productivity. And, finally verbal reorganization, pay level, promotion etc. are available/offered automatically. These rewards in turn increase level of satisfaction with job. At last, it can be asserted that satisfaction is outcome of interplay of an enormous number of variables. One's total satisfaction depends upon type, quality and quantity of rewards plus job content variables.

Satisfaction occurs only when everything goes right i.e. righteousness prevails in every input of the model, from efforts to satisfaction. Briefly, satisfaction is possible only when:

1. One has strong unmet needs and is very much eager to meet them.
2. Adequate efforts are made.
3. Efforts made must result into desired performance. (Performance must meet the individual's expectations as well organizational expectations).
4. Performance is compensated/rewarded fairly and regularly by the organization.
5. The employee perceives rewards as adequate/equitable.
6. He feels satisfaction reference to efforts, performance, and satisfaction. He feels happiness and behaves normally/rationally.
7. Motivation process works in a normal situation.

\textsuperscript{31} Fred. E. Luthans. Ibid, p.193
Managerial implications:
For practicing manager, following inferences are important to formulate meaningful motivation policy for organization:

1. Performance and satisfaction are closely related and are interdependent. However, satisfaction is more dependent on performance (than rewards).
3. Equitable rewards include both: (1) what are offered by the organization and perceived as equitable (financial and non-financial rewards), (2) what are derived from job itself (intrinsic rewards).
4. Relationship among performance, rewards and satisfaction is extremely complex and depends on a large number of factors. A manager should not take it in a simple manner.
5. The organization can partially satisfy employees. Total satisfaction consists of equitable rewards offered by the organization plus job satisfaction derived by the individual. Here, design of job is critical in determining intrinsic benefits. Job should be such that serves a source of interest, feeling of excellence, self-fulfillment, joy, etc.
6. Job satisfaction is also dependent on facilities related to job like working condition, work climate, supportive supervision, freedom, etc.
7. Satisfaction can be improved by:
   i. Improving performance, and/or
   ii. Improving facilities, and/or
   iii. Improving job satisfaction (improving job design), and/or
   iv. Improving or offering equitable rewards, and/or
   v. Changing the individual to fit with policy and practice of organization i.e. changing his perception and expectation.

Satisfaction is not independent variable. Employees' satisfaction is not final result/outcome. Satisfaction precedes/initiates efforts i.e. it affects motivation. Therefore satisfaction is not the last stage of motivation, but it is basic variable in complex motivation process. Motivation being continuous process, it is the powerful input in motivation. Reasonable level of actual or expected satisfaction can affect

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positively to subsequent behavior/level of motivation. Experts and practitioners have advocated maintaining high degree of satisfaction due to the facts that:

1. It boosts employees’ morale (improved level of enthusiasm, high degree of voluntary cooperation, and voluntary conformation with rules and regulations and policy.
2. It improves loyalty and faithfulness. It is helpful particularly in a bad period.
3. It improves/ensures staff-stability.
4. It promotes regularity and leads to reduce absenteeism.
5. It improves physical and mental health of employees.
6. It develops constructive attitudes about organization. The employees always tell favorably.
7. It makes employees to develop personal interest in excelling organization.
8. It cultivates sense of belongingness among employees. Employees always remain alert to safeguard interest of organization.
9. It prevents unexpected events like strike, lockout, mass leaves, sabotage, etc. to occur.
10. It leads to overall efficiency in the organizational operations.
11. It improves market image, and reputation of the enterprise.
12. Employees become real wealth of the unit etc.

In the model there are five variables: efforts, performance, rewards, perceived equitable rewards, and satisfaction. Number of combinations is possible by combining different intensity of each of the variables. The model is model of possibilities. Table No. 10 on the next page shows possible intensity of each of the variables.

**Comment:** Table number ten shows intensity of each of the variables undergo in motivation process. Only five dimensions are considered for every variable. In fact, around \(3125\) \((5^5 \times 5^5 = 3125)\) combinations are possible and what is more significant is, every such combination demands/requires different managerial action. In previous discussion, managerial actions with respect to each of the variable have been suggested. Number of combinations can be increased or decreased depending upon number of dimensions/intensity scale points.

*CHAPTER 4/ Porter-Lawler Model*
FUNCTIONING OF THE MODEL: (TOTALITY VIEW)

The detailed explanation of variables in the model highlights on complex motivation process. However, it is worthwhile to sum up relation among variables briefly to get overall insight into the model. The model implicitly assumes that people have certain needs and are desirous to satisfy these needs reasonably. They keep in mind these personal needs for any further response. First they try to figure out whether rewards are likely to be received from doing a job (making efforts) are attractive or valent to them. It is box 1 in the model. Value of rewards from doing the job depends upon a lot of variables. People may not exert efforts blindly but with due calculations among efforts, rewards, and satisfaction. If they have strong attraction toward rewards available for particular level of efforts, higher value is assigned to these rewards. And also people believe that they receive desired satisfaction from rewards, to that rewards only they assign high value. Thus, motivation/level of efforts stats from satisfaction as the value of rewards depend on ability of rewards to satisfy them. Another important input in efforts is perceived effort-reward probability. Here, it is not only important to have high value for rewards but also possibility of receiving them. Efforts are made only when one has high value for rewards available in the future and high probability regarding availability of rewards.

Table 10: Table showing different intensity of each of the variables

<table>
<thead>
<tr>
<th>EFFORTS</th>
<th>PERFORMANCE</th>
<th>REWARDS</th>
<th>EQUITABLE REWARDS</th>
<th>SATISFACTION</th>
</tr>
</thead>
<tbody>
<tr>
<td>Maximum</td>
<td>Excellent</td>
<td>Best</td>
<td>Excess /more</td>
<td>Maximum</td>
</tr>
<tr>
<td>Moderate</td>
<td>Good</td>
<td>Better</td>
<td>Equal</td>
<td>High</td>
</tr>
<tr>
<td>Less</td>
<td>Moderate</td>
<td>Good</td>
<td>Less</td>
<td>Low</td>
</tr>
<tr>
<td>No</td>
<td>Poor</td>
<td>Poor</td>
<td>No</td>
<td>No</td>
</tr>
<tr>
<td>Negative</td>
<td>Negative</td>
<td>Withdrawal</td>
<td>Negative</td>
<td>Desired *</td>
</tr>
</tbody>
</table>

* Table show only five dimensions, in fact more are possible. Also different dimensions other than mentioned in the table are possible. This is only sampling Performa.

* Desired indicates what employee has expected, may be lack of promotion, ignorance or any. In practice it may be more uncertain to predict. But existence of negative efforts, negative performance and negative rewards leading to desired satisfaction cannot be ignored.

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Note that efforts don’t lead to rewards directly. In between efforts and rewards, there is performance. To the extent efforts result in desired performance, rewards are paid/offered. Not only amount of efforts, but level of performance, too, is essential to get rewards/satisfaction. But degree to which particular level of efforts result into desired performance is further mediated by two variables viz. abilities and traits, and role perception. Exerted efforts result into expected performance only when one has required physical and mental abilities to do job and has correct/accurate role perception. Abilities and traits, and role perception moderate efforts-performance relationship.

Performance leads to certain outcomes in the shape of intrinsic and extrinsic rewards. Satisfaction is possible only when resulting rewards (intrinsic and extrinsic) are perceived as equitable. In between needs and satisfaction of needs, there exist a number of variables.

MANAGRIAL IMPLICATIONS FOR PRACTICING MANAGERS:
Porter-Lawler model is much complex but more complete explanation to understand and improve employees’ motivation. “Expectancy theory is practical, is simple, is mainstream psychology, has been around a long time, is easy to apply, and most important, it works” This is not a single model, but combination of various theories on the subject. The model is a sincere attempt to coordinate key ideas of Abraham Maslow (Maslow’s need hierarchy), Fredric Herzberg (Herzberg’s two-factor theory), Clayton Alderfer (ERG theory), Victor Vroom (Vroom’s Expectancy theory), McClelland (Achievement theory), Jane Pearson (Equity theory) and many such theories in the area. It is all in one.

The model has considered vital variables of individual behavior adequately and appropriately like: perception, attitudes, personality, learning, beliefs, job satisfaction, morale, leadership (indirectly) and a wide range of other related variables. Throughout the model, expectancy/ probability and perception play a crucial role in every step of motivation process: (1) expectancy that a person will exert efforts, (2) expectancy that efforts will lead to performance, (3) expectancy that performance

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32 Thomas L. Quick (Reference is not available)

CHAPTER 4/ Porter-Lawler Model
will lead to desired outcomes/rewards, (4) expectancy that rewards will be perceived as equitable, (5) expectancy that equitable rewards will lead to satisfaction, and (6) expectancy that satisfied person will make efforts in next incident/occasion. This is being a contingency model; it recognizes that there is no universal principle for explaining everyone's motivation. Motivation is based on number of "ifs" and "thens" Due to individual difference, the model cannot be applied directly. It is just a guide to understand complex motivation. If inferences of the model are followed judiciously, a purposeful motivation policy can be formulated. Finally, usefulness of the model is dependent on ability, expertise and experience of the manager.

The Porter-Lawler model is more applications-oriented than any other model/theory; it is still complex and has proved to be a difficult way to bridge the gap to actual management practice. To Porter-Lawler's credit, they have been very conscientious of putting their theory and research into practice. They recommend that practicing manager should go beyond traditional attitude measurement and attempt to measure variables such as the value of possible rewards, the perceptions of effort-reward probabilities, and role perception. These variables, of course, can help manager better understand what goes into employee efforts and performance. Giving attention to the consequences of performance, Porter-Lawler also recommend that organizations critically reevaluate their current rewards policies at the right interval. They stress that management should make a concentrated efforts to measure how closely levels of satisfaction are related to levels of performance, and recently a practitioner-oriented article emphasized that the accuracy of role perceptions may be the missing link in improving employee performance.  

On the front end (the relationship between motivation and performance) following barriers must be overcome:

1. Doubt about utility, skill, or knowledge
2. The physical or practical possibility of the job
3. The interdependence of the job with other people or activates
4. Ambiguity surrounding the job requirements

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CHAPTER 4/ Porter-Lawler Model
In addition, on the back end (the relationship between performance and satisfaction), guidelines such as following have been suggested:

1. Determine what rewards each employee values
2. Define desirable performance
3. Make desirable performance attainable
4. Link valued rewards to performance

On the middle part (relationship between efforts and rewards), following implications are worth noted:

1. Ensure the required skills and abilities to perform desired work.
2. Help employees to develop fairly correct role perception.
3. Provide needed aids to make employees to assign high positive probabilities.
4. Make appropriate combination of intrinsic and extrinsic rewards.

The Porter-Lawler model has definitely made a significant contribution to the better understanding of work motivation and the relationship between performance and satisfaction, but to date, it has not had much impact on the actual practice of human resource management. Yet the expectancy models provide certain guidelines that can be followed by human resource management in any area of human activities, even non-profit field like higher education. There is an acute need of making the model practice oriented.

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35 Robert A. Baribm, Behavior in organizations, Ally n & Bacon, Boston, 1983, p.137.